



FEEDER PIG FACTS



COOPERATIVE EXTENSION
SERVICE

FEEDER PIG MARKETING

Specialization in the hog feeding business has given rise to specialized farm enterprises that produce feeder pigs for sale to full-time feeders.

In the past practically all the pigs farrowed were fed out on the same farms. The advancement of hog feeding facilities and equipment and larger farm operations have made many farmers look to an outside source for feeder pigs. The trend is for them to feed out more hogs thus making a more intensive use of their facilities and equipment. Development of better farrowing facilities has made it possible for some farmers to concentrate on the "year around" business of producing feeder pigs to sell to feeders.

While accurate records are not available it is estimated that at least 10 percent of the slaughter hogs sold in Ohio were first bought as feeder pigs.

The following tables will serve as an indication of the increase in demand for feeder pigs.

***Ohio Inshipments of Feeder Pigs
from Other States**

Year	Thousands
1955	22
1956	45
1957	60
1958	95
1959	114
1960	133
1961	191
1962	258
1963	224
1964	184

* Reported by Crop Reporting Service, U.S.D.A.

Special Graded Feeder Pig Sales in Ohio

Year	Number of Pigs Sold	Number of Markets	Number of Sales
1959	5,450	2	5
1960	11,040	4	13
1961	19,350	7	19
1962	40,731	9	36
1963	52,229	10	48
1964	55,688	10	58

Feeder pigs in Ohio are sold in one of the following ways:

- I. Special graded feeder pig auctions
- II. Special quality controlled programs and selling by private treaty
- III. Through contract
- IV. Weekly livestock auctions
- V. On the farm

Each of these methods has its advantages and disadvantages and will be discussed in the order listed above.

I. Selling at graded feeder pig auctions has grown rapidly in popularity. Area committees composed of feeder pig producers have worked with livestock auction markets in organizing the sales and establishing rules and standards. They have endeavored to sell pigs in groups which meet the demands of the buyer.

Advantages of selling at graded feeder pig auctions:

1. Price is determined by competition from a large number of buyers.
2. Large numbers of pigs offered for sale attract more buyers.
3. Prices on the average may be higher than when sold through other ways.
4. Pigs are sold by weight (no guess work).
5. Small producers may have opportunity to sell pigs in large lots.
6. Pigs are sold in lots by grade.
7. Graded pigs look better to the buyer.

Disadvantages of selling at graded feeder pig auctions:

1. Costs of selling may be higher.
2. Graded auction may not be held at the time your pigs are ready.
3. No opportunity to sell culls or pigs with physical defects.

Requirements for Feeder Pigs at Auctions

Feeder pigs and consignors of feeder pigs must meet certain requirements when selling at graded auctions.

The following is a list of requirements which must be met at most graded auctions. These may vary with the marketing area. It is best to check with your county Extension agent for specific regulations.

- (a) All pigs consigned to the sales must be produced by the consigner.
- (b) Pigs will be accepted on sale day weighing from 30 to 150 pounds.
- (c) All pigs must be treated for cholera by a veterinarian, using modified virus and serum. This must be done on the farm not less than 15 days (one market requires 21 days) prior to the sale. Health certificate 30A, signed by the veterinarian, must accompany the pigs. At some markets, pigs may be vaccinated at the market the day of the sale if not vaccinated 15 days prior.
- (d) Male pigs must be castrated and healed.
- (e) Only healthy pigs will be accepted. A veterinarian inspection at the dock will determine the health of the pigs.
- (f) All pigs must be consigned two weeks prior to the sale. A consignment fee of 25 cents per head will be deducted from the check at time of sale. This fee is to be retained by the committee for necessary expenses and improvement work. This regulation may vary with markets.
- (g) Commission charge will be 50 cents per head. (May vary with markets.)
- (h) No charge will be made to the consignor for feeding when pigs are to be held over by buyer.
- (i) The officers will serve as a sale committee to make on-the-spot decisions.
- (j) Pigs will be rejected at the dock for the following reasons:
 - (1) Uncastrated
 - (2) Crippled
 - (3) Scar Back
 - (5) Unthrifty
 - (6) Any other undesirable characteristics detected by the veterinarian. Consignor shall receive a card filled out by the veterinarian giving reasons for rejection.

II. Marketing of feeder pigs through special quality controlled programs and the sponsoring organization selling by private treaty is one of the newer methods of marketing in Ohio. It is growing in popularity in some sections of Eastern Ohio.

Advantages of special quality controlled programs and selling by private treaty:

1. Price is determined by contacting a larger number of buyers.
2. Price may be more stable.

3. Prices on the average may be higher than when sold through other ways.
4. Pigs are sold by weight (no guess work).
5. Small producers have opportunity to sell pigs in larger, more uniform lots.
6. Pigs are sold in lots by grade.
7. A ready market when pigs are the right weight to sell.
8. Quality control and livability guarantee encourages buyers to pay higher prices for the feeder pigs.

Disadvantages of special quality controlled programs and selling by private treaty:

1. Only consignors belonging to special quality controlled program may sell through the program.
2. All pigs produced for sale must be sold through the program.
3. Producers have a higher investment in breeding stock.

Requirements for special quality controlled programs and selling by private treaty:

1. Only improved meat-type breeding stock, approved by program, can be used to produce feeder pigs.
2. Pigs must weigh at least 40 pounds.
3. All pigs must be vaccinated, not less than 21 days prior to the sale, with hog cholera serum, 10cc. minimum dose, and a modified live virus vaccine, and against erysipelas with 2 cc. of vacterin by a veterinarian. All vaccinated pigs must be ear tagged and the number recorded on health certificate 30A.
4. Male pigs must be castrated and healed.
5. All pigs should be free of worms, lice and mange.
6. Only healthy pigs will be accepted. A veterinarian will inspect all pigs at the market.
7. Pigs will be sorted into uniform lots of weight and quality.
8. Pigs should be delivered to the market between 8 a.m. and 12 noon.
9. Commission charge will be 75 cents per head.

III. Selling Through Contract

Some producers of feeder pigs have arrangements with feeders who take their total production at a predetermined weight. They usually also have a predetermined price or a pricing formula which is used to set price.

Advantages of selling through contract:

1. Producer knows what his selling price is or how it will be determined.

2. No selling costs.
3. No transportation costs.
4. Producer may have an opportunity to develop a breeding and management program.
5. There may be less stress on pigs.

Disadvantages of selling through contract: ,

1. Cannot sell at a higher price if opportunity arises.
2. Predetermined price eliminates competitive bidding at market time.
3. Operations geared to only one buyer.

IV. Many feeder pigs produced in Ohio are sold through weekly livestock auctions. This method has been used since the establishment of livestock auctions in Ohio.

Advantage of selling at weekly auction:

1. Market outlet is available every week.
2. All pigs, regardless of weight or quality, may be sold providing they meet minimum health standards.
3. Each lot of pigs sold is usually from the same farm.
4. Selling costs may be cheaper than some other methods.

Disadvantages of selling at weekly auctions:

1. Net returns to producer may be lower.
2. Volume to be sold may be low at some markets thus attracting fewer buyers.
3. At most markets, neither buyer nor seller knows the weight. Pigs are sold by the head.
4. Buyer must guess at the value of the pigs.
5. Pigs within a lot may not be uniform in size, quality, and thriftiness.
6. Disease may be a factor at some markets.

V. Some farmers prefer to sell their feeder pigs on the farm, feeling there are certain advantages.

Advantages of selling feeder pigs on the farm:

1. No transportation cost.
2. No cash selling costs except advertising.
3. Buyer can see breeding stock and conditions under which pigs were produced (this might also be a disadvantage).

Disadvantages of selling on the farm:

1. In many cases there is less competition between buyers.

2. Seller may not get the highest price available.
3. Selling may take more time which is a factor in a busy season.
4. Often a producer does not know what pigs weigh, thus making it difficult to know how much to ask.
5. Uroducer is often at the mercy of one or two buyers, especially in a period of large supply.

Tips on Getting Pigs Ready for Market

It has been observed there are several things a pig producer can do with a little time and expense which will help his pigs look better and bring a much higher price.

They should be clean—Pigs should have a clean bed at all times; however, an extra supply of clean straw at least a week before the sale will clean up most pigs. In the warm months many sellers find it beneficial to wash their pigs. (Do not turn the hose into the ears of pigs.)

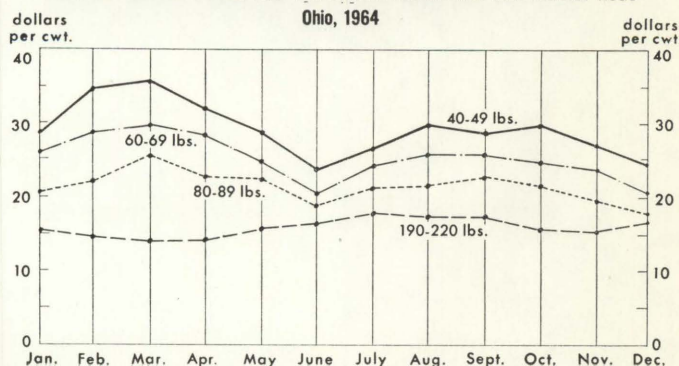
Worming—Pigs should be worm free. This also helps the price they bring.

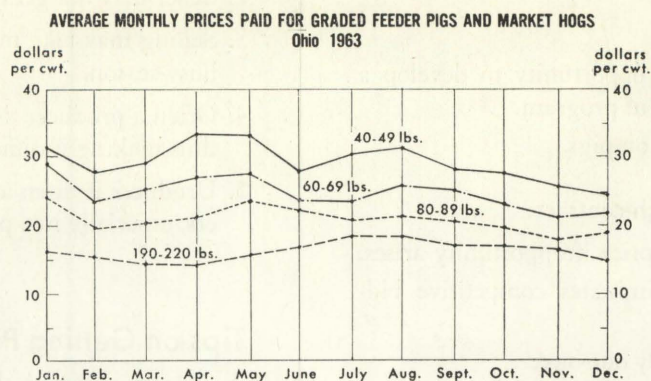
Delousing—Lice are quite easy to control. They tend to make a rough hair coat which makes a pig look less thrifty.

These three things mentioned may seem like a small thing to the producer. However any one of these may easily effect the price your pigs bring by \$1 to 3 per hundredweight.

The following charts show the relationship between the prices paid for certain weights of feeder pigs and live hog prices. These may be of value to the producer in helping him to determine what weights of pigs to sell at different times of the year. For example higher prices are paid for 40-to 49-lb. pigs in March, April, and May, which is several monhs previous to the price peak for slaughter hogs.

AVERAGE MONTHLY PRICES PAID FOR GRADED FEEDER PIGS AND MARKET HOGS





Farmers marketing feeder pigs through graded auctions must realize auctions are the quickest method of marketing to reflect changes in supply and demand. They should be informed as to the time of year certain weights of pigs may bring a price advantage. However most farmers who have sold feeder pigs for several years find pigs weighing between 40 and 70 pounds bring the highest prices and net them the most dollars.

*Prepared by Clarence C. Bowen, Extension Specialist, Livestock Marketing and
Assistant Professor, Agricultural Economics and Rural Sociology*